

STATE OF TEXAS §
COUNTIES OF ARANSAS §
SAN PATRICIO AND NUECES §
CITY OF ARANSAS PASS §

On this the 6th day of February, 2006 the City Council of the City of Aransas Pass convened in a Regular Council Meeting being open to the Public at the regular meeting place thereof in the City Hall and notice of said meeting giving the time, place, date and subject hereof having been posted and prescribed by Chapter 551 of the Texas Government Code with the following attendance to wit constituting a quorum.

PRESENT	JESUS GALVAN, DOROTHY ROBERTS, FRANK HAMETNER, GRACE CHAPA, JAY ATTAWAY,	Mayor Mayor Pro Tempore Councilmember Councilmember Councilmember
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ABSENT: None

ADMINISTRATIVE PERSONNEL PRESENT:	Scott Thompson, Gretchen Black Allen Lawrence, Karen Mayer, Ada Owens,	City Manager Asst. City Manager City Attorney City Secretary Asst. City Secretary
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ADMINISTRATIVE
PERSONNEL ABSENT: None.

STAFF PRESENT:	Darren Gurley, Frank Truitt, Gilbert Ritz,	Director of Public Works City Inspector Fire Chief
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OTHERS PRESENT: Lupe Torres, Sami Louis Shirley, Ralph and Lu Arcemont, Nancy Allen, Irene Irey, Jerry House, Beth Wilson-Caller Times, Don McTee, Juan Villanueva, Dennis Lugg, Linda Becker, Donald Palmer, Kevin Mooto, Ernie Torres, Belinda Ritz, Karl Lovett, Wilma Anderson, Jerry Anderson, Don Williams, D.L. Carlson, Mike Keller, John Kyle, Katy Brown, Loretta Smith, Hope Comingore, Capt. Fred Comingore, Janie Brewster, Norma Howell, Patty Gilden, Rose Mary Upton, Earl Buckmaster, Phillip Watson

(There may have been others present who did not sign in).

ITEM 1. CALL MEETING TO ORDER.

Mayor Galvan called the Meeting to Order at 7:00 P.M. on February 6, 2006.

ITEM 2. INVOCATION AND PLEDGE OF ALLEGIANCE TO THE UNITED STATES FLAG AND THE TEXAS FLAG.

Councilmember Hametner gave the Invocation.

Mayor Pro Tempore Roberts led the Pledge of Allegiance to the United States Flag and the Texas Flag.

ITEM 4.

CONSENT AGENDA – “All of the Following items on the Consent Agenda are considered to be routine by the City Council and will be enacted with one motion. There will be no separate discussion of these items unless a Councilmember so requests. If discussion is desired that item will be removed from the Consent Agenda and will be considered separately”.

- A. Approval of Minutes of a Regular Meeting of January 17, 2006.**
- B. Ordinance 2006-3887 – An Ordinance of the City of Aransas Pass Approving The Rezoning of Farmlot One (1), All of Farmlot Two (2) Landblock Five (5) and a Portion of Farmlot One (1), All of Farmlot Two (2) Landblock Six (6) T. P. McCampbell Subdivision, from AG-Agriculture to Planned Development.**
- C. Ordinance 2006-3888 – An Ordinance of the City of Aransas Pass, Texas Granting a Conditional Use Permit for the Placement of a RV Travel Trailer on Lot 7, Block 540, More Commonly Known as 817 N. Commercial, Aransas Pass, Texas, Subject to Conditions Set Forth.**
- D. Resolution 2006-546 – Manifesting a Conn Brown Harbor Lease Agreement between the City of Aransas Pass and the Temple of Praise and Accepting Certain Terms and Conditions.**

Mayor Pro Tempore Roberts made the motion to approve the Consent Agenda Items A, B, C, and D. There was a second by Councilmember Chapa and the motion carried.

ITEM 12.

RESOLUTION 2006-548 – AUTHORIZING TAX RESALE OF 1.634 ACRES OF LAND, MORE OR LESS, BEING NORTHEASTERLY CORNER OF TRACT 1 LAND BLOCK “B” BURTON AND DANFORTH SUBDIVISION.

Mayor Galvan turned the meeting over to Mayor Pro Tempore Roberts for this Item.

Councilmember Chapa made the motion to approve Resolution 2006-548. There was a second by Councilmember Attaway and the motion carried.

Mayor Pro Tempore Roberts turned the meeting back over to Mayor Galvan.

ITEM 5.

CONSIDER AND DETERMINATION OF MONEY BORROWING AMOUNT FOR CERTIFICATE OF OBLIGATIONS.

Mr. Mark McLiney, Financial Advisor with Southwest Securities, stated on January 17, 2006 the Council authorized the borrowing of up to \$1M for utility system improvements with \$500,000.00 of it being directed to the Texas Water Development Board project. At that time there was discussion that there were other utility needs.

Mr. McLiney stated Option Number One is \$1M total of the Certificates of Obligation, Option Number Two is \$750,000.00 and Option Number Three is \$500,000.00. The options are at the City Council's discretion. All of the improvements would be for the City's utility system and the way it was structured, the City has two bond issues that are currently being paid out of the Utility System. The way the Aggregate Debt

Service is structured, in 2006 it will be \$230,730.33. It will stay relatively flat at \$230,000.00 then drop to \$76,536.25 in 2009. He stated on \$1M, the Council will see \$29,166.67 for the balance for this fiscal year, it increases \$50,000.00 for the next two years and then it tapers in where the other debt goes away. The result (of the Aggregate Debt Service) would be fiscal year 2006 is \$259,897.00; it would increase to approximately \$280,000.00 and then would drop to approximately \$191,000.00. That would be a \$50,000.00 increase from where the City is right now.

Mr. McLiney distributed calculations on the Certificates of Obligation for \$500,000.00, \$750,000.00, and \$1,000,000.00 and explained the options. To proceed Mr. McLiney needs the dollar amount the Council wants to borrow so he could prepare for the next Council meeting.

Mayor Galvan asked did the Council have any questions?

Mayor Pro Tempore Roberts asked the difference between borrowing \$1M and \$750,000.00 is approximately \$20,000.00 a year more in payments and obligations the City would have to make, is that correct?

Mr. McLiney stated that was correct, in the first three years. The \$250,000.00 difference in borrowing was going to cost approximately \$360,000.00 difference between principle and interest payments. He was trying to show the affordability in the first three years, that it was only a \$12,500.00 because the City was only paying interest in the first three years to give themselves the drop in 2008 and then start paying principle.

Councilmember Hametner asked if the City borrowed the money at the \$750,000.00 level or the \$1M level, does the City still have room to borrow future funds for the utilities if they need to?

Mr. McLiney stated the City's debt on the utilities side would be considered low, so yes, they could borrow funds in the future. It may take a rate increase, but affordability on per capita debt to the City, the City is low. In 2008 the debt would drop from \$280,000.00 to \$191,000.00 on the \$1M or \$268,000.00 to \$164,000.00 on \$750,000.00. That would be without increases of revenue; that would be a target time to borrow again without a need for increased rates. But in either instance the City would not be maximizing or tapping out the debt on the utility side.

Councilmember Hametner stated the reason he asked the question was the Council has a proposed project list of about \$743,000.00 and he would not like to put an extra \$250,000.00 in the debt without knowing what it was going to go for.

Councilmember Attaway stated he would assume that if the City incurred the debt it would be earmarked 100% for utilities and infrastructure repairs.

Mr. Gurley, Director of Public Works, stated yes, sir.

Councilmember Hametner asked did the City have any other things they need to do besides the project list?

City Manager stated there were several million dollars in projects that were listed.

Mr. Gurley stated he gave that list to the Council at the last Council meeting with all the projects he had at that time. The cost was about \$4M. The City needed to borrow \$500,000.00 for the Ransom Lift Station project, so he listed the top five priorities on the list.

City Manager stated he and Mr. Gurley would request the Council to go for the \$1M issue.

Mayor Galvan asked Mr. Gurley did he have the list with him?

Mr. Gurley stated he did not.

Mayor Galvan asked Mr. Gurley to name the top five projects on his list.

Mr. Gurley stated the top five projects are:

1. The Avenue A pump station, replacement of the 2,000 gallons-a-minute pumps that will cost \$163,000.00,
2. manhole rehab will cost \$212,000.00 because there is a lot of infiltration which clogs up the collection system when it rains and manholes need to be installed on long stretches of the system,
3. auxiliary generator for Public Works Service Center which is our emergency center,
4. valve and hydrant repair and replacement will cost \$100,000.00, there are broken valves and fire hydrants that do not work,
5. Yoakum Lift Station, a main lift station that supports the east side of town where the centrifugal pumps need to be replaced with submersible pumps, which will cost \$228,000.00.

Councilmember Hametner asked Mr. Gurley what project did they want to add?

Mr. Gurley stated \$500,000.00 of the \$1M we want to borrow is already earmarked for Ransom and Goodnight Lift Stations, but those projects may cost more. Bids will be open next Tuesday (February 14) for the Ransom Lift Station so he will have a better idea of how much it will cost to do the Ransom Lift Station over and above the \$1.1M the City borrowed from the Texas Water Board.

Mayor Galvan asked were there were any questions from the Council or City Manager?

City Manager stated he is recommending that the City sell bonds in the amount of \$1M.

Mayor Pro Tempore made the motion to sell Certificates of Obligation for \$1M to repair the City sewer and water systems. Councilmember Hametner seconded the motion and the motion carried.

ITEM 6.

PUBLIC HEARING ON REQUEST OF DALE OR IVAH MIRCOVICH TO REPLAT LANDBLOCK 213, TRACT SIX (6) INTO LOTS 6-A, 6-B

AND 6-C, THE 900 BLOCK OF W. YOUNG. THE PROPERTY IS ZONED RESIDENTIAL (R-7B) DISTRICT.

City Attorney declared the Public Hearing open at 7:19 p.m. on the request of Dale or Ivah Mircovich to Replat Landblock 213, Tract Six (6) into Lots 6-A, 6-B and 6-C, the 900 Block of W. Young. The Planning and Zoning Commission had met on the request previously and recommends the Council's approval.

City Attorney asked if Dale or Ivah Mircovich were present. They were not.

City Inspector stated it was a simple replat being a five-acre tract broken up into three lots that all have frontage on the road. The replat meets all the requirements.

City Attorney asked was there a problem with the present zoning?

City Inspector stated there was no problem with the present zoning.

City Attorney asked if there was anyone present opposed to the replat?

There were no comments.

City Attorney declared the Public Hearing closed at 7:20 p.m.

ITEM 7.

CONSIDER AND ACT ON ON REQUEST OF IVAH AND DALE MIRCOVICH TO REPLAT LANDBLOCK 213, TRACT SIX (6) INTO LOTS 6A, 6B AND 6C, THE 900 BLOCK OF W. YOUNG. THE PROPERTY IS ZONED RESIDENTIAL (R-7B) DISTRICT.

Councilmember Hametner made the motion to approve the request of Ivah and Dale Mircovich to replat Landblock 213, Tract Six (6) into Lots 6A, 6B and 6C. There was a second by Mayor Pro Tempore Roberts and the motion carried.

ITEM 8.

PUBLIC HEARING ON SUBSTANDARD BUILDING, LOT 1, BLOCK 454, 661 N. MCCAMPBELL, MR. ALEX VINCENT FOR THE PURPOSE OF A FINAL DETERMINATION OF THE VIOLATIONS AND REPAIRS REQUIRED TO MEET THE CITY ORDINANCE.

Mayor Galvan requested this item be tabled for further review.

ITEM 10.

CONSIDER AND ACT ON SUBSTANDARD BUILDING, LOT 1, BLOCK 454, 661 N. MCCAMPBELL, MR. ALEX VINCENT FOR THE PURPOSE OF A FINAL DETERMINATION OF THE VIOLATIONS AND REPAIRS REQUIRED TO MEET THE CITY ORDINANCE.

Councilmember Hametner made the motion to table Agenda Item 8 and Item 9 regarding Lot 1, Block 454, 661 N. McCampbell, City of Aransas Pass. Mayor Pro Tempore Roberts seconded the motion and the motion carried.

Mayor Galvan stated Agenda Item 8 and Item 9 would be placed back on the Agenda in one or two months.

ITEM 10.

CONSIDER AND ACT ON REQUEST OF THE WORD OF GOD CHURCH TO PLACE A DISPLAY ON THE ISLAND LOCATED ON HARRISON BLVD ADJACENT TO NEWBERRY PARK FROM APRIL 10-APRIL 17, 2006.

Mayor Galvan asked if there were any questions from the Council.

Councilmember Hametner stated he wondered what kind and size of sign the Church wanted to put on the island

Mayor Pro Tempore Roberts stated it would be an eight to ten foot cross.

Mayor Pro Tempore Roberts made the motion to allow the Word of God to place a display on the island adjacent to Newberry Park. Councilmember Hametner seconded the motion and the motion carried.

ITEM 11.

CONSIDER AND ACT ON:

- (a) **CALL AND APPROVING ORDER OF GENERAL ELECTION FOR THE CITY OF ARANSAS PASS TO ELECT COUNCILMEMBER (PLACE 2 AND PLACE 4).**
- (b) **APPROVING NOTICE OF GENERAL ELECTION FOR MAY 13, 2006.**
- (c) **ORDINANCE 2006-3886 – AN ORDINANCE OF THE CITY OF ARANSAS PASS, TEXAS, PROVIDING DATE AND TIME OF THE 2006 CITY GENERAL/SPECIAL ELECTION TO BE CONDUCTED BY THE SAN PATRICIO COUNTY ELECTION ADMINISTRATION OFFICE; FOR EARLY VOTES CAST ON DIRECT RECORDING ELECTRONIC (DRE) VOTING SYSTEM AND BY PAPER BALLOT; PROVIDING PLACE AND PRECINCT NUMBERS WHERE ELECTION IS TO BE HELD; PROVIDING RATE OF PAY PER HOUR FOR JUDGES AND CLERKS; AND, PROVIDING DATE AND TIME OF EARLY VOTING.**
- (d) **ORDINANCE 2006-3889- AN ORDINANCE CALLING A CHARTER AMENDMENT ELECTION FOR THE 13TH DAY OF MAY, 2006 FOR AMENDMENT OF THE PROVISION OF THE CHARTER OF THE CITY OF ARANSAS PASS, TEXAS; PROVIDING FOR NOTICE OF SAID ELECTION BY PUBLICATION; AND PROVIDING FOR THE FORM OF THE PROPOSED AMENDMENT TO BE SUBMITTED AT SUCH ELECTION.**

Karen Mayer, City Secretary stated every year the City must call an election and this year the City will be calling a General Election and Special Election.

- Item A is calling for the General Election for the City for Councilmember Place 2 and Council Place 4.
- Item B is the Notice of the General Election, which will be held on May 13, 2006.
- Item C is the Ordinance approving the day and time of the Election, the rate of pay for the Judges who will be selected by the San Patricio Administration Office because they will be

conducting the Election for the City along with the Schools. The Election will be held at 704 W. Yoakum in Compton Hall.

- Item D is an Ordinance calling for the Special Election for the Charter amendment.

City Secretary stated this is standard and the City does it every year. The only thing different this year that is the San Patricio Administration Office will be conducting the Election for the City jointly with the School District. Ms. Mayer stated Early voting and Regular voting will be held at Compton Hall. During Early Voting there will be two days that will have 12-hour voting times.

Mayor Pro Tempore Roberts made the motion to approve Items (a) through (d) calling and approving an Order of Election for the City of Aransas Pass. Councilmember Attaway seconded the motion and the motion carried.

ITEM 13.

CONSIDER AND ACT ON AUTHORIZING THE CITY MANAGER TO ADVERTISE FOR BIDS FOR THE CITY'S OFFICIAL LOCAL NEWSPAPER.

City Manager stated he had written the Council a memo with regard to the requirements for the official City newspaper. It is the Council's prerogative to go out for bids if they choose, but it is not necessary unless the City spends \$25,000.00 a year or more on advertisement in the newspaper. There are some criteria in the memo; "that it is entirely the prerogative of the City Council to choose the newspaper or newspapers of their choice, once the selection or selections has been made it remains unchanged until another action of the City Council. Additionally, as long as the newspaper is a paper of general circulation defined as daily or weekly and is available for sale in the community it does not have to be located within the corporate limits of the City."

Mayor Galvan asked if there was discussion on this item.

Councilmember Attaway asked if the City was unhappy with their current newspaper service?

Mayor Pro Tempore Roberts stated she had been a little unhappy with them (Aransas Pass Progress) lately. She stated she thought the Council needed to go out for bids and get the lowest price for the City.

Councilmember Chapa made the motion to authorize the City Manager to advertise for bids for the City's official newspaper. Mayor Pro Tempore Roberts seconded the motion and the motion carried.

ITEM 14.

CONSIDER AND ACT ON REPRESENTATIVE TO THE COASTAL BEND COUNCIL OF GOVERNMENTS.

City Manager stated the City needs to be represented at the Council of Governments. It is recommended that a City Councilperson be appointed and if there is no City Councilperson available or that cares to do this he thought the City Manager should be appointed.

Mayor Galvan asked were there any volunteers on the Council?

Councilmember Hametner asked who had been has been the City Representative?

Mayor Pro Tempore Roberts stated that Ms. Sami Shirley had been representing the City, but moved out of the City.

Mayor Pro Tempore Roberts made the motion the City Manager, Scott Thompson, act as representative for the City to the Coastal Bend Council of Governments. Councilmember Chapa seconded the motion and the motion carried.

ITEM 15.

CONSIDER AND ACT ON RESCHEDULING CITY COUNCIL MEETING OF FEBRUARY 20, 2006.

Mr. McLiney explained the effect on the Bond issue if the Council changed the February 20, 2006 meeting to February 13, 2006.

Mayor Pro Tempore Roberts stated she requested the rescheduling of the Council Meeting to February 13, 2006 because she would be out of town February 20 and did not like to miss Council Meetings, but it was imperative that she be gone at that time.

City Manager stated the meeting could not be moved up to February 13, but could be moved to February 27.

Mayor Pro Tempore Roberts stated she would not be back by February 27, so it would not be necessary to change the meeting date.

Mayor Galvan asked what was pending on the February 20, 2006 Council meeting?

City Manager stated that was when the Council would approve the authorization of sale of the Certificates of Obligation. The meeting could be postponed until February 27, but could not be moved up to February 13, 2006. A representative would have to be at City Hall to inform anyone coming for the meeting on February 20, 2006 that the meeting had been moved to February 27, 2006.

Councilmember Hametner stated he would be out of town for training February 13 through February 17, then would be going on vacation.

Mayor Galvan asked the City Manger were there other things pending for the February 20, 2006 agenda?

City Manager stated there was nothing else pending at this time, but it stacks up quickly the week before the meeting. Only the Certificates of Obligation were pending on the agenda now.

Councilmember Hametner asked is the Council meeting left on February 20, 2006?

Mayor Galvan stated yes, for the present.

There was no action needed.

ITEM 3.

CITIZEN'S COMMENTS – *“At this time, comments will be taken from the audience on any subject matter that is not on the agenda. In accordance with the Open Meetings Act, Council may not discuss or take action on any item which has not been posted on the agenda”.*

Mr. Donald Palmer stated he was hearing impaired and was concerned about his tricycle accident while going to Wal Mart on W. Wheeler about two weeks ago. He stated many people liked to travel on the right (south) side of Wheeler from 13th Street to Wal Mart. Mr. Palmer described his accident to the Council and stated his concern was there are no sidewalks or streetlights in that area.

Mr. Dennis Lugg stated he would pass.

Dr. D. Edwardson gave his support for VIG developers.

Ms. Kathy Brown stated she was a member of the Mayor's Advisory Committee (MAC) for community development. Ms. Brown stated MAC would be joining the Aransas Pass Chamber of Commerce, the Aransas Pass Women's Club, the A. C. Blunt Science and Spanish Club, the Aransas Pass Rotary Club, the Iron Gator Development Group, Commercial Motors, the Sea Academy, the Northside Group, AEP, Breezy's Laundromat, the Flower Cottage, Brenda McElwee CPA, Harbor Shrimp Company and many other individuals and, hopefully, many other companies to clean up Aransas Pass in Project Trash-Off. Ms. Brown stated the need for more manpower and sponsorships to furnish the supplies and equipment for the project. The cleanup event will begin at 9:00 a.m. on Saturday, February 18, 2006 at Roosevelt Field. Lunch for volunteers will be furnished by HEB. The Volunteer Planning Meeting will be at 5:30 p.m. on February 7, 2006 at Compton Hall on W. Yokum. Notices of upcoming projects will be published in the Progress.

Mrs. Hope Comingore stated there was a rumor that the marina developers were trying to influence City Council's vote by offering personal incentives to the Councilmembers. She asked that Councilmembers set aside any consideration of personal gain and deliberate solely on the merits of the proposals themselves. Will the proposal adequately increase the tax base to recover any infrastructure cost? Does the proposal fit the vision of our City's future? Are the developers' financial data in order? She asked that the Council work together to analyze the advantages and disadvantages of each developer's submission and conduct a fair and unbiased vote in behalf of the citizens of Aransas Pass.

Colleen Abshire stated she owned a lot at 106 Dolphin and resides at 1404 S. Saunders. Ms. Abshire stated that she had problems having some water meters found and read at 1408 S. Saunders. There is a utility easement and it was not an alley.

Captain Fred Comingore stated when the Council votes for the harbor project, think of the people of the community. The original theme of the harbor project was tourism; do not cut the harbor off from the community.

Mrs. Margaret Garrett stated she owns Harbor Shrimp Company in Conn Brown Harbor and resides at 159 N. 13th Street. In regards to the Citizen's Advisory Committee meeting held to clean up our City or get a team of people out to clean it up, they were talking about dumpsters. She stated Mr. Gurley said in the City budget there was no money to help pay for those dumpsters so they were going to ask some of the business people around town to help contribute the money to pay for the dumpsters and get back with Mr. Gurley so clean-up teams will have somewhere to bring the garbage. She suggested the Council look in the General Fund for a few dollars so the Committee could have some dumpsters sponsored by our City.

Mrs. Garrett stated there is a boat sunk and fuel in Conn Brown Harbor. Ms. Garrett stated she had asked the Harbormaster and members of the Council to do something about the pump-out station. The prior Council had refused a \$2M grant offered by the GLO that would have solved the pump-out problem.

Ms. Pam Benson commended the City for the clean up on Commercial Street. She stated she wanted to clarify that she would no longer make statements for the Chamber of Commerce. Pam Martin would speak for the Chamber.

ITEM 16.

RECESS REGULAR MEETING AND RETIRE TO EXECUTIVE SESSION PURSUANT TO CHAPTER 551 OF TEXAS GOVERNMENT CODE.

Section 551.074 – Personnel Matters – City Secretary – Retirement/Resignation.

Section 551.072 – Deliberations Regarding Real Property – Staubach Corporation, VIG, Angel/Mclver, Inc. and The Duke Corp/Heavenly hero Foundation.

Recessed into Executive Session at 7:57 p.m

ITEM 17.

RECONVENE IN REGULAR MEETING AND CONSIDER AND ACT ON FINDINGS OF EXECUTIVE SESSION.

Reconvened at 9:31 p.m.

Section 551.074 – Personnel Matters – City Secretary – Retirement/Resignation.

Councilmember Attaway made the motion to accept the resignation/retirement of the City Secretary as of February 24, 2006, and pay her health insurance until she reaches Medicare age. Mayor Pro Tempore Roberts seconded the motion and the motion carried.

Mayor Galvan thanked Mrs. Mayer for her many years of service to the City.

Section 551.072 – Deliberations Regarding Real Property – Staubach Corporation, VOG, Angel/Mclver, Inc. and The Duke Corp/Heavenly hero Foundation.

Mayor Pro Tempore Roberts made the motion to accept VIG's plan for Conn Brown Harbor. Councilmember Chapa seconded the motion and the motion carried with Mayor Galvan voting yes, Mayor Pro Tempore Roberts voting yes, Councilmember Chapa voting yes, Councilmember Hametner voting no and Councilmember Attaway voting no. The vote was 3 to 2 and the motion carried.

Councilmember Attaway stated the reason he voted no was the City should wait longer for the General Land Office (GLO) negotiations before making the developer selection.

Mayor Galvan stated GLO proceedings have gone along for the last two years and nothing has been accomplished. The City cannot wait forever because this project will pass them by.

ITEM 18.

ADJOURNMENT OF MEETING.

Mayor Galvan adjourned the meeting at 9:35 p.m.

Jesus Galvan,

Mayor

ATTEST:

Karen Mayer,

City Secretary